Corporate Social Responsibility, Organizational culture, Ethical citizenship and Reputation of financial institutions in Uganda

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Declaration

I *David Katamba* declare that this research work is my original work and has not been published and or submitted for any other degree award to any university before. Where it is indebted to the efforts of other scholars and professionals, due acknowledgement has been made.

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Approval:

This research work has been submitted for examination with approval of the following supervisors:

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Dedication:

My wife Thecla Nakibuuka, and my dear children: Emma Gabriel Mukiibi Katamba, and Esther Audrey Nabatanzi Katamba.

I also dedicate this work to my dear parents Mr. James Mukiibi Katamba and Mrs. Specioza Namayanja.

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ABSTRACT:

The current prevailing business conducts and the business environment in which financial services institutions (FSI) supervised by bank of Uganda operate, seems to leave behind a series of questions about their reputation. Therefore, using a cross sectional research design, with quantitative research methodology, this research found that CSR, EC, & OC could predict about 38% of reputation, with Organizational culture (OC) being the highest predicator, followed by CSR, while Ethical citizenship was not a significant predicator. We concluded that the insignificancy of ethical citizenship may explain the prevalent unethical acts of these financial institutions. Also organizational culture being the highest predicator of these institutions' reputation may explain why they have product portfolios that are often revisited. To strengthen their reputation, we recommend that these institutions, in addition to Bank of Uganda's efforts, devise means of ensuring a certain degree of ethical behaviors by having in-house trainings in ethics, conducts of conduct as well as undertaking some CSR activities for example encouraging their customers (like suppliers) to comply with environmental regulations.

CHAPTER ONE: INTRODUCTION

1.1 Background to the study:

Reputation is the stakeholders' collective knowledge about and regards for the firm in its organizational field (Brown, Dacin, Pratt, & Whetten, 2006; Fombrun, 1996; Rindova, Williamson, Petkova, & Sever, 2005). A firm's reputation is strongest when it's both prominent in its organizational field (i.e., more stakeholders are aware of it) and can be positively evaluated by stakeholders (Rindova & Petkova, 2005; Rindova *et al*., 2005). The financial services institutions are highly prune to activities that can greatly impact on their reputation. These activities include theft, fraud, and misrepresentation in contracts with customers, money laundering, and conspiracy among others. Fombrun & Van (2004) have however noted that some social responsible actions of these institutions towards their stakeholders (internal and /or external) August impact on their reputation. Among such activities include corporate giving, providing products and services that are meant to offer value to customers, instituting proper leadership, etc.

Ethics need to be integral to a business agenda (Moneva & Ortas, 2010, pg 195). However, in Uganda, ethics, and in particular ethical citizenship behaviors like training in ethics; staff integrity; and codes of conduct which would mitigate fraud and operations risk in the financial service players is lacking. For example, the 2008 national survey on access to financial services in Uganda conducted by Finscope Uganda indicated that 64% of the stakeholders who interact with financial institutions take loans. However, 2% can not at all understand the loan contract terms and yet these institutions do nothing to make them understand. Also 43% of the customers save with financial institutions of which 6%

have lost their savings through unknown charges, theft, fraud, or closure of institutions (like Micro Care Ltd, Front page microfinance, etc). Further more, 4% of the customers don't believe in insurance companies because they don't compensate or because they con customers of their money. The research also observed that amidst this global financial crisis, financial institutions August be tempted to get more involved in these unethical activities (fraud, misrepresentations, money laundering, etc).

The above highlighted issues have exposed financial institutions to be dragged to courts of laws or put in press. For example Stanbic bank and Tropical Africa bank have frequently been mentioned in payments scandals (www.mail-archive.com). They have either been party or channels through which unlawful payments have been made. Other unethical citizenship behaviors regularly cited in leading news papers or courts are cheating customers, unlawful dismissal of staff, fraudulent loan / credit contracts leading to seizing of customer property, dodging their taxes obligations, failure to compensate / honor customer claims, etc. These suits and press publications don't seem to have left the respective financial institutions' reputations the same. Also some of their actions are not disclosed publicly (Kasekende, 2002; Kasekende & Sebudde, 2001). These include internal staff mistreatment, un-objective transfers, salary reductions, delayed payments without proper causes, etc. Ntayi, Luganda & Mersland (2009) also observed some deliberate hindrances by financial institutions to deny disabled people access to finance.

From a corporate social responsibility (CSR) perspective, financial services institutions, like National Insurance Corporation, Barclays, Stanbic and standard chartered have been involving in corporate social activities. These include offering academic scholarships, medical care (HIV/AIDS), sponsoring sports, employee /staff development, etc (Katamba & Gisch-Boie, 2008). The underlying reasons are to interact with stakeholders; and build reputation issues like emotional appeal and product quality among others. Visser (2005); and McWilliams & Siegel (2000) found that when discussing reputation issues, Organizational culture (OC) should be also looked at. In other studies (Hofstede, Neuijen, Ohay, & Sanders, 1990; O'Reilly, Chatman, & Caldwell, 1991), organizational culture has been viewed as an internal phenomenon which has impact on staff behavior and attitudes, and ultimately influencing organizational decisions (social responsibility inclusive).

1.2 Statement of the problem:

From the above background, it's evident that the current prevailing business conducts and the business environment in which financial services institutions supervised by bank of Uganda operate, seems to leave behind a series of questions about their reputation. That is, they are cited in media for portraying a good image, earning huge profits as well as expanding in size and customer base, yet a deeper examination reveals a number of illegal, unethical and or actions of irresponsibility towards their customers and stakeholders. This according to Wood (2008), is evident that they cannot earn profits legally, ethically, and responsibly, and hence do not deserve to survive; neither can the natural environment nor stakeholders support their continuity. Therefore, in their struggle to build reputation, it becomes academically imperatives to cross examine whether there is a relationship between their reputation and corporate social responsibilities, their organizational culture (innovativeness, vision, leadership, etc) or ethical citizenship and their reputation.

1.3 Purpose of the study:

To examine the significance and the relationships between the study variables, that is; Corporate Social Responsibility (CSR), Organizational culture (OC), Ethical citizenship (EC) and Reputation.

1.4 Research objectives:

i. To examine the relationship between corporate social responsibility (CSR) and Reputation.

ii. To examine the relationship between Organizational culture (OC) and Reputation.

iii. To examine the relationship between Organizational culture (OC) and CSR activities.

iv. To examine the relationship between ethical citizenship and reputation

v. To examine the relationship between ethical citizenship and CSR.

1.5 Research Hypothesis:

H_1: CSR and reputation are significantly and positively correlated.

H_2: There is a positive and significant relationship between Organizational culture and Reputation.

H_3: There is a positive and significant relationship between Organizational culture and CSR.

H_4: Ethical citizenship and Reputation are significantly and positively correlated.

H_5: Ethical citizenship and CSR are positively and significantly correlated.

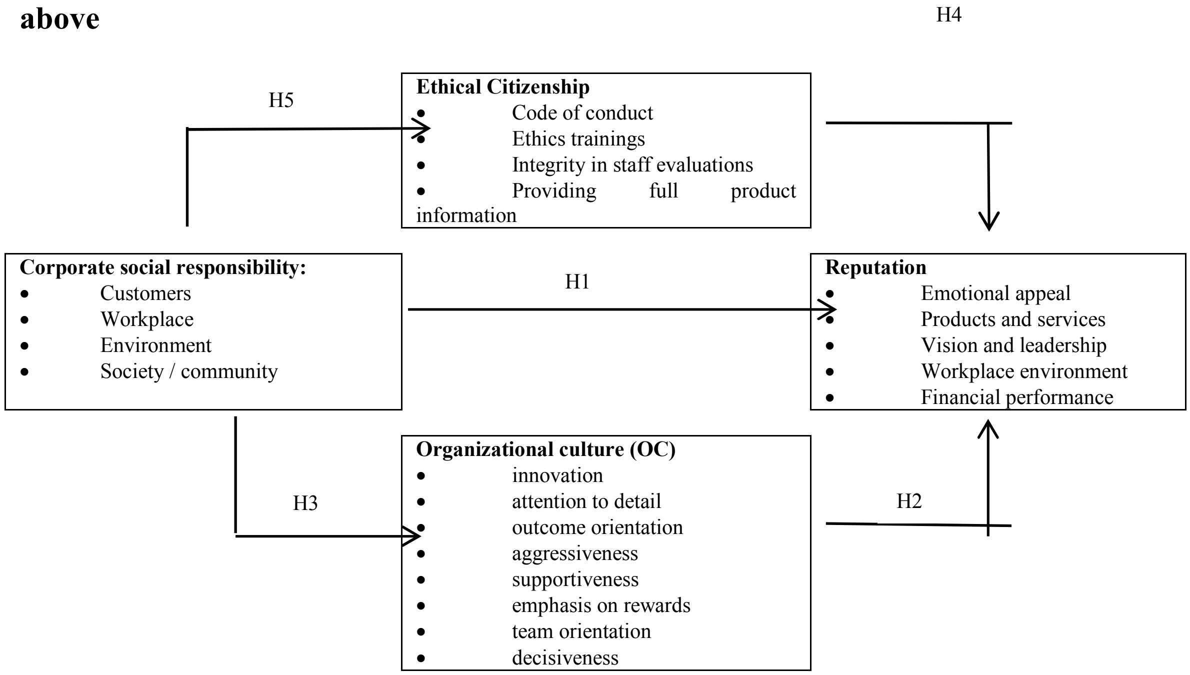
1.6 Significance of the study

i. It adds on the existing academic and management literature about the variables of organizational culture (OC), CSR, ethical citizenship and reputation (R).
ii. It can be used to guide policy making in financial institutions
iii. It aids financial services managers in building reputation through CSR decisions and even know how they can rethink their organizations culture plus ethical behaviors

1.7 Conceptual framework

For this study, CSR was an independent variable, as cited in Carroll (1999); and Fombrun (2006; 1996). Other independent variables were organizational culture and ethical citizenship. As cited in Podnar & Golob (2007), Reputation was treated as a dependent variable. The model for this research has been developed after review of literature and can be expressed in form Y= $\alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \ldots + \beta n X n$ where: Y is the dependant variable "α" is a regression constant; $\beta_1, \beta_2, \beta_3$ and β_n are the beta coefficients; and $X_1, X_2, X_3,$ and Xn are the independent (predicator) variables. Diagrammatically, the model is represented below:

Figure 1: Diagrammatic representation of the research conceptual frame work above



Source: Developed after literature review of (Ntayi et al., 2009; Brown et al., 2006; Hofstede, et al., 1990; O'Reilly, et al., 1991; Maignan & Ferrell, 2001; Macintosh & Doherty, 2007; Freeman, 1984; Carroll, 1979; 1999; Visser, 2005; Fombrun & Shanley, 1990; Fombrun, 1996)

1.8 Scope of the study

The research was cross-sectional and the report produced within six months after the approval of the proposal. For time scope, the financial institutions that were studied are those that Bank of Uganda (BoU) had licensed, supervised and were operational by the 31st August 2009. Conceptually, the variables were studied with particular focus on their marketing reflections, that is, in line with the marketing subject and practice. Geographically, the research was limited to the whole of Uganda since these financial institutions are authorized to operate in any part of Uganda. In addition, the respondents were also selected from any part of Uganda where a financial services institution of interest had presence. This was meant for equal geographical representation of responses. Customers of current financial institutions entrants that had merged or acquired institutions formerly supervised by BoU, were included in the sample (e.g., Bank PhB, Equity Bank, etc). Publications of renowned consultancy companies and authoritative bodies in variables of this study were also reviewed. For example, World Bank, UN Global Compact, Reputation Institute, etc Particular emphasis was put on activities undertaken by these financial institutions over the last two years dating back from 31st August 2009. The academic literature review was mainly from journal articles of both empirical and conceptual nature, dating from 1953 to date. For example journal of political economy, journal of advertising, journal of consumer marketing, corporate communications -an international journal, academy of management journey, etc. In additional, policy and academic conference proceeding papers were used. For example, proceedings of the 10th IAABD Annual conference, DATES, etc. The findings indicate that all hypotheses (H_1, H_2, H_3, H_4, and H_5) were accepted. However, since the adjusted R^2 was 38%, this calls for further research to establish which other variables contribute to Reputation of financial services institutions in Uganda.

1.9 Outline structure of the report;

This report has five major chapters from one to six. These are Introduction; literature review; methodology; analysis, presentation & interpretation of findings; and discussion of findings & conclusions and recommendations respectively. These chapters are followed by References and lastly appendices.

CHAPTER TWO: LITERATURE REVIEW

2.1 Corporate Social Responsibility (CSR) and Reputation

Definitions of concepts:

(a) Reputation:

Scholars (Brown *et al.*, 2006; Rindova *et al.*, 2005) refer to Reputation (R) as the stakeholders' collective knowledge about and regards for the firm in its organizational field. However, they note that different stakeholders groups (external and internal) May have different reputations about the same company. These stakeholders include workers, suppliers, customers, etc. A firm's reputation is strongest when it's both prominent in its organizational field and positively evaluated by stakeholders (Rindova & Petkova, 2005; Rindova *et al*., 2005). Fombrun & Van (2004) describe reputation as something that attracts people to an organization. They go ahead to indicate that an organization with a good reputation attracts people to engage with it, either through purchasing, investing, working, etc. Also by combining Fombrun & Van (2004) views with Fill (2006), reputation May be defined as consistency in images stakeholders have over time, about an organization. One of the challenges is that the time for which images pile up to be termed reputation, is not defined whether it's in months or years, or weeks.

(b) Corporate Social Responsibility (CSR)

Bowen (1953), the original proponent of corporate social responsibility (CSR), defined it as "the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of society." Later, Carroll (1979) redefined CSR as the integration of *ethical, legal and* *philanthropy* components into *economic* activities of business. Recently, other scholars like Visser (2005) and World Business council for sustainable development (WBCSD) have attempted to revisit both Bowen and Carroll's works and have defined CSR as the "integration of social and environmental concerns into business economic operations on a voluntary basis." Voluntary basis means that for company's activities to be regarded as CSR, such activities must not be forced on them. In additions, such activities must go beyond the fulfillment of legal requirements. Looking at *Business for Social Responsibility* (BSR), corporate social responsibility is defined as "achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment." McWilliams & Siegel (2000) define CSR as "actions that appear to further some social good, beyond the interest of the company and that which is required by law." These various CSR definitions present to the researchers an impression that CSR has various CSR dimensions. For example, while Carroll (1979; 1999) shows ethical, philanthropy, economic and legal dimensions, the FORGE Group (a consortium of financial institutions in UK), as cited in Decker (2004), as well as Freeman's stakeholder theory (Freeman, 1984) identifies four dimensions for CSR. These are the community, the marketplace, the workplace and the environment. Hence, from these various definitions and studies, there seems to be lack of consensus regarding the exact definition of CSR as well as what constitutes CSR.

Corporate social responsibility and Reputation:

A series of experiments conducted by The University of Western Ontario's Ivey School of Business revealed that it pays companies to invest in social responsibility (*The Wall*

Street Journal, May 12, 2008). For example, consumers are willing to pay a slight premium for ethically made goods and services and would buy unethically made goods only if greater discounts are offered. Companies don't necessarily have to get involved full-blast in CSR to win stakeholders' approval and consumers' attention in particular. Fombrun & Van (2004) observed that once a company hits certain socially responsible thresholds, they will have measured to some reputation levels. In return, consumers will reward it by paying higher prices, recommending other stakeholders and customers to the company, etc. However, works of Birch (2003) seem to disagree with Fombrun & Van (2004) and with the Ivey school of business, by observing that good corporate social responsibility does not require outside approval, nor should it necessarily be a measure of how 'good' or 'ethical' a company is. Birch (2003) emphasizes that it's essential that corporate social responsibility is made a part of all decision making in the company. That is, it needs to be an integral part of all of the operations and policies of the business. A controversial position emerges when Fombrun & Van (2004) re-confirms Fombrun (1996, p. 57) by emphasizing that reputation that is positive, enduring, and resilient requires managers to invest heavily in building and maintaining good relationships with their company's constituents (stakeholders). On another note, Visser (2005) noted that CSR May be associated with a series of bottom-line benefits. For example, socially responsible companies have enhanced brand image and reputation. That is, consumers and stakeholders are often drawn to brands and companies with good records in CSR related issues. A company regarded as socially responsible can also benefit from its reputation within the business community by having increased ability to attract capital and trading partners. Overlooking negative social and environmental externalities when valuing a company might be equal to ignoring significant risks. Companies that adopt the CSR principles are more transparent and have less risk of bribery and corruption. Nkiko & Katamba (2010) observed that CSR oriented companies May implement stricter and, thus, more costly quality and environmental controls, but they run less risk of having to recall defective product lines and pay heavy fines for excessive polluting. They also have less risk of negative social events which damage their reputation and May cost millions of dollars in information and advertising campaigns. Companies perceived to have a strong CSR commitment often have an increased ability to attract and to retain employees which leads to reduced turnover, recruitment, and training costs. From the above discussion, we hypothesize that:

H1*: CSR and reputation are significantly and positively correlated.*

2.2 Organizational culture (OC) and Reputation:

Culture May be defined as "the shared beliefs and values of a group. It is what people do, not just what they say." As cited in Musiime, Ntayi, & Musigire (2009, pg 618), organizational culture is characterized by shared assumptions, beliefs and values that help to shape and guide the organizational ethical climate. Therefore, organizational culture May be defined as "a set of values, beliefs and basic assumptions that are guided by leaders and shared by employees," (O'Reilley et al., 1991). An organization's culture is shaped as the organization faces external and internal challenges and learns how to deal with them. When the organization's way of doing business provides a successful adaptation to environmental challenges and ensures success, those values are retained, and the reverse holds. Hence these ways of doing business are taught to new members as the way to do business.

Based on the organizational culture profile (OCP) developed by O'Reilley et al., (1991), the dimensions that are most important parts of Organizational culture are eight. That is, innovation, attention to detail, outcome orientation, aggressiveness, supportiveness, emphasis on rewards, team orientation and decisiveness. These factors can be examined as follows: *Attention to detail and innovation* dimensions relate to how work is handled. It also involves the degree to which employees are expected to be creative and take risks. Two dimensions, that is, *team orientation* and *supportiveness* describe values or norms for interpersonal relationships. These dimensions further indicate the degree to which work activities are organized around teams rather than individuals. *Outcome orientation and aggressiveness* dimensions describe norms for individual actions. They indicate the degree to which management emphasizes results and also the extent to which employees are expected to be competitive than just easy going. *Emphasis on rewards* is the degree to which reward allocations are based on employee performance in contrast to seniority, favoritism or any other non-performance criterion. Lastly, d*ecisiveness* is the degree of authority, freedom and independence that individual employees have in their jobs. Fombrun (1996) suggests that organizational cultural aspects contribute to reputation. In particular, credibility, reliability, trustworthiness and responsibility are perpetual contributors. He further states that a company's reputation roots in its core values that shape its communication, organizational culture and decisions. These assertions were further confirmed by Musiime, Ntayi & Musigire (2009) who observed that external perception of identity and reputation is constituted in culture context. We can therefore present a second hypothesis that:

H2: There is a positive and significant relationship between Organizational culture and Reputation.

2.3 Organizational culture and CSR:

Wartick & Cochran (1985), in their attempt to conceptualize a model for CSR, redefined Carroll's (1979) four dimensions of corporate social responsibilities as the "Principles of CSR." Hence, according to these scholars, the culture of a company would form the foundation upon which it would formulate and manage its social responsibilities. Borrowing from the works of Freeman (1984) and Visser (2005), the CSR dimensions and activities most relevant to the business environment in developing countries (Uganda inclusive) relate to workplace, environment, society and environment. The researcher therefore wonders how organizational culture is related to these CSR activities hence a research hypothesis:

H3: There is a positive and significant relationship between Organizational culture and CSR.

2.4 Ethical Citizenship and Reputation

According to Sacconi (2004), ethics can be defined as "obedience to the unenforceable." Therefore part of what an organization does in pursuant of this obedience is Ethical citizenship. The responsibility for promoting, developing and maintaining a culture of ethical citizenship and integrity within a financial institution or any organization lies with the organization's leadership team. This responsibility should be taken seriously because there is much to be gained or much to be lost if ignored. According to Maignan & Ferrell (2001), the following ethical citizenship activities can be employed: Code of conduct, Ethics trainings, Integrity in staff evaluations, and providing full product information. *Code of conduct:* Values-based decision-making focuses on feedback and continuous improvement. Therefore stakeholders (especially customers and employees) feel confident that their voices will be heard and listened to. Effective dialogue is made more possible when an organization's shared ethical values are explicit, written, clearly posted and incorporated in meeting agendas, newsletters, collateral and its Web site. Financial services institutions are better off when stakeholders are encouraged to voice their concerns and objections. This can only be made possible by having a code of ethics /conduct (which is a working and breathing document). *Ethics training:* Inside financial services institutions supervised by Bank of Uganda, some ethics training is required. This is aimed at changing and shaping the behavior and culture of these institutions. Also such trainings help employees make ethical decisions when the answers are unclear to certain transactions. Humans are built with the capacity to cheat and manipulate (Thilmany, 2007), hence the need for learning normative values and rules in human behavior through some sort of training is needed (Tullberg & Tullberg, 1996). *Providing full product information:* The signaling theory (Boulding & Kirmani, 1993; Kirmani, 1997) examines how consumers process information under conditions where buyers and sellers possess almost similar information. Since financial services providers know exactly the quality of their services, stakeholders (especially buyers) are not well-informed about these services offers and their attributes. In such scenarios, stakeholders look for information that enables them to distinguish the companies that perform well on an attribute of interest to those that perform poorly. Most of past research has focused on the attribute of quality and has considered the impact of signals such as warranties (Boulding & Kirmani, 1993), advertising (Kirmani, 1997; Kihlstrom & Riordan, 1984) and price (Milgrom & Roberts, 1986). Grace & Cohen (2005) observed the direct benefit from ethical citizenship activities as a reduction of the likelihood of "dirty hands," fines and damaged reputations for breaching laws or moral norms. They further observed that organizations also derive an increase in employee loyalty and pride in the organization. Therefore it becomes important to empirically test the relationship between Ethical citizenship and Reputation, hence a research hypothesis:

H4: Ethical citizenship and Reputation are significantly and positively correlated.

2.5 Ethical Citizenship and CSR

In this competitive world and business environment, companies are increasingly becoming interested in processes and activities that can add visibility to their CSR policies, practices and activities (Visser, 2005; Porter and Kramar, 2006). One method that is gaining increasing popularity to achieve this is the use of well-grounded training programs, where CSR is a major subject, coupled with ethics, integrity, and business simulations (Nkiko & Katamba, 2010). The researchers May therefore want to test the relationship between ethical citizenship and CSR, hence a research hypothesis:

H5: Ethical citizenship and CSR are positively and significantly correlated.

CHAPTER THREE: METHODOLOGY

3.1 Research design:

This was a cross-sectional research and it involved quantitative approaches to data collection.

3.2 Population:

The population of financial institutions was 65, that is, financial institutions supervised by Bank of Uganda as at 31st August, 2009. These and their breakdown are shown in table 3.2 below. For individual stakeholders (customer) respondents, the population was population 5,120,000 (that is, 16% of Uganda's population of 32 million). These were the stakeholders who had dealt formally with any of these financial institutions in Uganda (New Vision, April 2009).

Table 3.2 List of financial services institutions supervised by Bank of Uganda, as at 31st August 2009

Financial institution type	No. of institutions	% composition
1. Commercial Banks	22	34
2. Insurance companies	21	32
3. Foreign Exchange Bureaus	10	15
4. Credit institutions	6	9
5. Microfinance deposit taking institutions (MDI)	4	6
6. lease financing institutions	2	3
Total	65	100

Source: Bank of Uganda website www.bou.or.ug

3.3 Sample size:

All the 65 financial institutions shown in table 3.2 above were included in the sample of financial institutions because 65 was a small number. For individual customer respondents, the estimated sample size was 384 based on confidence level of 95% and confidence interval of error +/- 5% (Cohen, 2009). However, 500 questionnaires were sent out and 418 were returned in a usable form. This is shown in the table below:

Table 3.3 Summary of respondents sampled.

	Frequency	Percent
1. Commercial Bank	326	78.0
2. Forex bureau	40	9.6
3. Microfinance Institution (MDI)	30	7.2
4. Credit institutions	11	2.6
5. Insurance company	9	2.2
6. Lease financing banks	2	.5
Total	418	100.0

3.4 Sampling procedure and design:

All the 65 financial institutions were included in the study since 65 is a small number and hence no need for sampling them. The lists of these financial institutions were obtained from Bank of Uganda (BoU) and are in Appendix 2, 3, 4, 5 and 6. The 418 individual respondents were the customers / stakeholders of these 65 financial institutions. These were not distributed equally among these financial institutions. They were selected on the basis of a combination of proportionate stratified sampling and simple random sampling method. First, proportionate stratified sampling was employed to determine stratum of respondents that should be chosen for a particular financial service institution type as per table 3.3 above. This was done so as to ensure that the respondents are proportionate to the financial institutions in the respective types. On the basis of this stratum, simple random sampling was then employed to select which respondent to interview from each financial institution. To ensue this, a control question (question G2) was posed to the respondents in the questionnaire as: *"From the financial institutions below, indicate the one which you mostly interact with?"* Whenever the needed proportionate sample size of respondents for a particular type of financial institution was reached, then further selection of respondents was in such a way that enables solicitation of responses for other financial institutions types.

3.5 Data sources:

Data was collected from both primary and secondary sources. Primary sources were the respondents / stakeholders to financial institutions (staff, customers, suppliers, advertising agents, etc) who filled structured questionnaires. Secondary sources included academic journal articles mainly published by the Corporate Reputation Review, European Journal of Marketing, corporate communications journals, Bank of Uganda (BoU), etc. The research also borrowed from renowned schools like Reputation Institute, and popular consulting companies which have special focus on CSR and social sciences measurements like MHCinternational Ltd as well as KLD (Kinder, Lydenberg, Domini & Co.). Various Uganda financial sector publications and reports were visited to study the sectors past and current performance. Other corporate reports / publications of World Bank, OECD (Organization of Economic Council for Development), UN Global Compact, GRI (Global Reporting Initiative), and ISO were also visited especially to extract ethical citizenship and CSR related information.

3.6 Data collection:

A combination of face-to-face interviewing of respondents and mailing of questionnaires for self administration was used. In both cases, a structured questionnaire (refer to Appendix 7) was used to guide on which data to be collected. Self administered questionnaires were sent /issued to respondents following an initial telephone solicitation to participate in the research by email. Follow-up calls and reminders to fill or return the filled questionnaires were used after two weeks. Participants were motivated by writing personalized introductions letters to them, where their names and full contact addresses are known. In the case where a respondent preferred face-to-face interviewing, a not more than 30 minutes' interaction was used to solicit responses.

Unit of analysis was "financial institutions".

3.7 Measurement of Variables:

3.7.1 Reputation:

An index, Reputation Quotient (RQ), developed by Fombrun (1996) was used. The RQ operationalises the variable of Reputation into six constructs (Fombrun & Van, 1997). These are: Emotional appeal (Ea), Products and services (Pdt), Vision and leadership (VL), Workplace (W), environment (Evt), Financial performance (Fp) and social responsibility. These were split into 20 items. We eliminated social responsibility construct, so as to avoid any possibility of co-linearity with "CSR". The remaining 5 constructs were further split into 17 items and each item was placed on a 5 point likert scale in form of a statement, where 1 is strongly disagree and 5 is strongly agree. The respondents were asked to indicate their level of agreement with the statements in relation to the reputation of their financial service institution (selected in G2) by circling the appropriate likert scale. Later, the responses were summed and generalization for the whole financial services industry was made.

3.7.2 Corporate Social Responsibility (CSR):

No single measure or instrument can be used universally to study CSR, Hopkins (2000). For purpose of this research, the CRITICS (Corporate Responsibility Index through Internet Consultation of Stakeholders) was used with a few modifications. CRITICS are a subset of 20 questions that MHCinternational developed to assist in investigating companies / organizations in their quest to become more socially responsible. The CRITICS seemed ideal to investigate the CSR aspects (Customers; Workplace; Environment; and Society / community). These 20 CRITICS questions were placed on a 5- point scale ranging from strongly agree (5), Agree (4), Undecided (3), Disagree (2), and strongly disagree (1) in form of statement. The respondents were asked to indicate their level of agreement with each statement in relation to the corporate social responsibility (CSR) of their financial institution selected in G2, by circling the right choice of scale. Item scores were summed and divided by the total number of items so that the composite measure of corporate social responsibility of the financial institutions could be established.

3.7.3 Organizational culture:

External perception of organizational culture was captured using the Organizational Culture Profile (OCP), developed by O'Reilly, et al. (1991). That is; innovation, attention to detail, outcome orientation, aggressiveness, supportiveness, emphasis on rewards, team orientation, and decisiveness. In form of a statement, these eight items were placed on a 5- point scale ranging from strongly agree (5), Agree (4), Undecided (3), Disagree (2), to strongly disagree (1). The respondents were asked to indicate their level of agreement with these statements in relation the organizational culture of financial service institution selected in G2. Their responses were later summed up for generalization for the whole financial services institutions.

3.7.4 Ethical citizenship:

Based on the signaling theory (Boulding & Kirmani, 1993; Kirmani, 1997), and Maignan & Ferrell (2001), customer judgments regarding the ethical citizenship of financial institutions in Uganda were captured using a five point likert scale "Not at all aware (1)," "Slightly aware (2)," "Somewhat aware (3)," "Moderately aware (4)," and "Extremely aware (5)." These were rated on four-items, that is, code of conduct, ethics training, integrity in staff evaluations; and provision of full product information; which were phrased in form of statements. The respondents were asked to indicate their level of awareness with these statements in relation the ethical citizenship of their financial service institution selected in G2. Item scores were summed and divided by the total number of items so that the composite measure is to established to show for the overall ethical citizenship of the financial services institutions.

3.8 Reliability and validity:

The instrument's reliability coefficients (Cronbach Alpha) were: corporate social responsibility, 0.66; organizational culture, 0.66; ethical citizenship, 0.68; and

Reputation, 0.79. The average inter-item correlation was 0.6. Hence according to economics.about.com (2003), and Cohen (2006), the instrument was reliable in capturing what the research intended since the ideal inter-item correlation should always be above 0.4., and also given that the closer the Cronbach alpha to 0.9, the higher the reliability. To ensure validity, the questions / item scales that were developed by other scholars to investigate the study variables (as seen in 3.7 above), were used, though with a few modifications where necessary.

3.9 Data analysis

The statistical package used was SPSS 10.0. The strength and significance of the relationships between the study variables was established using the Pearson's product moment correlation coefficients (PMCC). Building on Norusis (2005) suggestions in "*SPSS 13 Guide to data analysis"*, the PMCC was used instead of Spearman's or Kendall's rank correlation coefficients because the data about the study variables was collected in a quantified form (that is, using likert scales) and also the sample elements were selected at random, hence there was no need to rank them. Corporate Social Responsibility (CSR), Organizational culture (OC), and Ethical citizenship were specified as independent variables and Reputation as dependent. The unit of analysis was financial services institutions.

CHAPTER FOUR: ANALYSIS, PRESENTATION, AND INTERPRETATION FINDINGS

4.1 Introduction

This chapter analyzes, presents and interprets the descriptive statistics as well as inferential findings presented about the study hypothesis (H_1, H_2, H_3, H_4, and H_5).

4.2 Sample characteristics

4.2.1 Respondent distribution

A total of 418 respondents were interviewed. Of these, 326 respondents had interacted with commercial banks, 40 with forex bureaus, 30 with microfinance, 11 with credit institutions, 9 with insurance companies and 2 with lease financing banks. This represented a response rate of 78%, 9.6%, 7.2%, 2.6%, 2.2% and 0.5% for the financial institutions respectively.

4.2.2 Duration of interaction with financial institutions

89% of the respondent had interacted with their financial institutions for a period less than 6 years, while 6% and 5% had interacted with their financial institutions for 6-10 years and over 10 years respectively (see table 4.2.2). However, on average (mean, 2), the respondents had interacted with their financial institutions for a period between 1 and 5 years, representing.

Table 4.2.2 Duration for which respondents had interacted with financial institutions.

	Frequency	Percent
less than 1 year	110	26.3
1-5 years	263	62.9
6-10 years	26	6.2
Over 10 year	19	4.5
Total	418	100.0
Mean =1.89 (Approx. 2) ; δ =.70; n = 418		

Source: Field data

4.3 Relationship between study variables

4.3.1 Correlations

To test for the relationships between study variables, correlations were done and the results are presented in table 4.3.1 below:

Table 4.3.1 Correlation coefficients of study variables.

	Corporate social Responsibility	Organization Culture	Ethical Citizenship	Reputation
Corporate social Responsibility	1.000			
Organization Culture	.202**	1.000		
Ethical Citizenship	.221**	.156**	1.000	
Reputation	.225**	.230**	.129*	1.000
*** Correlation is significant at the 0.01 level.* ** Correlation is significant at the 0.05 level.*				

Source: field data

4.3.2 Presentation and Interpretation of findings

From table 4.3.1 above, the correlation (r) between CSR and reputation is significant at r=.23 and $p<0.01$. This shows a positive relationship between the two variables. This means a positive change in CSR interventions brings about a positive change in reputation. Hence we can accept hypothesis one (H_1) that statistically, CSR and reputation are positively correlated.

The correlation (r) between Organizational culture and Reputation is significant at r=.23 and P <0.01. This means a positive change in organizational culture activities, brings about a positive change in reputation. Hence we can accept hypothesis two (H_2) that statistically, organizational culture and Reputation are positively correlated.

The correlation (r) between Organizational culture and CSR is significant at r = .20, and P <0.01. This means a positive change in organizational culture aspects brings about a positive change in CSR undertakings. Hence we can accept hypothesis three (H_3) that organizational culture and CSR are significantly and positively.

The correlation (r) between Ethical citizenship and Reputation is significant at r = .13, and P <0.05. This means a positive change in ethical citizenship aspects brings about a positive change in reputation. Hence we can accept the hypothesis four (H_4) that Ethical citizenship and Reputation are significantly and positively correlated.

The correlation (r) between Ethical citizenship and CSR is significant at r = .22, and P <0.01. This means a positive change in ethical citizenship aspects brings about a positive change in CSR undertakings. Hence we can accept the hypothesis five (H_5) that Ethical citizenship and CSR are significantly and positively correlated.

4.4.3 Regression analysis:

In this case, Reputation (Rp) was treated as dependent variable predictable by corporate social responsibility (CSR), organizational culture (OC) and Ethical Citizenship (EC). The regression model was therefore established using the equation: $Y= \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + ... + \beta n X n$ where: Y is the dependant variable "α" is a regression constant; $\beta_1, \beta_2, \beta_3$ and β_n are the beta coefficients; and $X_1, X_2, X_3,$ and Xn are the independent (predicator) variables. Standardized beta coefficients were put in the regression equation. This revealed that Reputation (Rp) can be predicated as: $Y= 0.08\ X_1 +.60\ X_2 + .00\ X_3 + ...+ \beta_n X_n$ where: Y is Reputation (R_p); X_1, is Corporate social responsibility (CSR); X_2, is Organizational culture (OC); X_3 is Ethical Citizenship (EC), and X_n is the nth predicator. This is shown in the table 4.3.3 below:

Table 4.3.3 Multiple Regression Analysis:

	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	1.455	.210		6.930	.000
Corporate social Responsibility	-3.804E-02	.019	.083	2.011	.045
Organizational culture	.701	.048	.602	14.648	.000
Ethical citizenship	1.185E-04	.024	.000	.005	.996
[a] Dependent Variable: Reputation					

R	R Square	Adjusted R Square
.622[a]	.387	.382
[a] Predictors: (Constant), Ethical citizenship, Organizational culture, Corporate social Responsibility		

4.4.4 Presentation and Interpretation of findings

From table 4.3.3 above, about 38% of the variation (adjusted R^2 =0.382) in Reputation of financial services institutions in Uganda is explained by CSR, organizational culture (OC), and Ethical citizenship. Hence, the other factors May be taken to explain 62% of these institutions' reputation. Also Organizational culture has a higher prediction potential (Beta .60) for reputation, followed by CSR (Beta .08), while ethical citizenship is not a significant predictor (beta .00).

CHAPTER FIVE: DISCUSSION OF FINDINGS

5.1 Corporate social responsibility (CSR) and Reputation:

As seen from the analysis and presentation of findings, corporate social responsibility (CSR) contributed significantly to the reputation of financial institutions in Uganda. This finding agrees with Barry (2000) who argued that though it May not look logical for companies to engage in CSR when the business environment is too competitive, a certain minimum degree of engagement to further some social goals is needed. This finding further confirms the stakeholder theory of CSR advanced by Freeman (1984; 1998) as amplified by Lantos (2001), and Freeman, Wicks & Parmar (2004). According to these scholars, a business should be sensitive to any potential harm of its actions on various stakeholders (community, workers, suppliers, customers, environment, etc) and hence some social goals should be pursued by it. This will help it to portray a good image before the eyes of stakeholders, as well as contribute to the emotional appeal of its products and services. The finding further amplifies works of McWilliams & Siegal (2001) and McWilliams et al., (2006, pg 4) who argued that "decisions regarding CSR should also be treated by managers precisely as they treat all investment decisions."

5.2 Organizational culture (OC) and Reputation:

From the findings, Organizational culture (OC), that is, innovation, attention to detail, outcome orientation, aggressiveness, supportiveness, putting emphasis on rewards, team orientation, and decisiveness had a biggest contribution to reputation of financial services institutions in Uganda (as opposed to CSR and Ethical citizenship). This finding confirms with Ntayi, Luganda & Mersland (2009) who observed that in search for microfinance services, customers (especially with disabilities) highly consider the supportiveness as well as the team and outcome orientation of such an institution. A further debate to justify these finding is in O'Reilly, Chatman, Caldwell (1991); and Hofstede, Neuijen, Ohay, & Sanders (1990). These scholars' analysis and review of the Organizational culture profile (OCP) as an instrument to measure OC, observed that the fifty-four (and now reduced to eight by O'Reily, et al., 1991) dimensions of OCP May have a significant contribution to the reputation of any business institution. Their justification for this significant contribution and possibly relationship between organizational culture and Reputation, was premised on the notion that culture can not easily be copied and hence a firm that is innovative, pays attention to detail, and also aggressive will have a unique way in which customers perceive it over a given period of time, which Fombrun (1996; 2006) and Fill (2006) call reputation.

5.3 Ethical citizenship (EC) and Reputation:

Ethical citizenship, that is, having a code of conduct for staff, training them in ethics, ensuring that they have integrity as well as emphasizing that they should always provide full product information to customers and stakeholders, had the least contribution to a financial institution's reputation (when compared to CSR and Organizational culture). This finding supports the earlier works of Carr (1968) who observed that some degree of dishonesty is acceptable in business and that dishonesty is probably a necessary component of a business strategy to be successful. This means eliminating it from the model as well as over putting emphasis on it May not make too much change to the reputation. Because of this, the researcher observes a justification for the prevailing situation as highlighted in the background of the study, that is, financial institutions in Uganda make misrepresentations in loan contracts with attempt to seize customer property; insurance companies deliberately refusing to settle genuine claims; etc. yet the same involved institutions keep growing in size and customer base. We can therefore confirm that ethical citizenship in financial institutions in Uganda May not so much contribute to their Reputation. We May also agree that the financial institutions in Uganda are at the stage of the year 1968 when Carr (1968) made his conclusions.

5.4 Organizational culture (OC) and corporate social responsibility (CSR).

The relationship found between OC and CSR of financial services institutions, May justify what Ntayi, Lugand & Mersland (2009) observed in their study. These scholars observed that in search for financial services, customers (for example disabled persons) May choose to relate with financial services institutions which mind about their biological set up, for example disability nature. Hence, financial services institutions that align their organizational culture well, have higher chances of being socially responsible. For example, culture elements like innovative (say, come up with a variety of products that appeal to different customer segments); pay attention to details about their customer segments visa viz what the company offers; supportive (say, understand their customers ability to relate with the institution), etc, May make a company socially responsible towards its suppliers, at the workplace etc as it will always compel them to be responsive.

5.5 Ethical citizenship and CSR.

The research has observed that a positive change in CSR will lead to a positive change in ethical citizenship since the two are positively correlated. Ethical citizenship dimensions like training staff in ethics, providing full product information, having a code of conduct for staff, etc May influence the way stakeholders especially staff (who are internal customers of any company), and suppliers relate with such a company. This confirms with the signaling theory (Boulding & Kirmani, 1993) which highlights that stakeholders look for key information to help them make pertinent decisions. For example, during a job or a product / service advert, stakeholders May select a financial services institution that portrays what its workplace environment and standards looks like, as well as how its products are produced and how they reach the market. Katamba & Gisch-Boie (2008) refer to such a company as one that has good “CSR at the workplace” or “CSR in the marketplace” respectively. However, in-depth investigations May reveal that it takes only an ethical citizen company to provide such information about the job or product in its fullness and truthfulness. In turn, this May enable such a financial services company attract key and competent applicants (who would in turn become staff) as well as customers, who view it and regarded it as a socially responsible company in the marketplace. Such ethical and CSR observations made by customers and stakeholders May enhance financial services’ company competitiveness, as affirmed by Visser (2005) and Porter and Kramar (2006).

CHAPTER SIX: CONCLUSIONS AND RECOMMENDATIONS

6.0 Introduction

This chapter provides a summary of what has been found in relation to analysis and interpretation of findings as well as from the discussions.

6.1 Conclusions

The study found that CSR and Reputation are significantly and positively correlated, hence confirming hypothesis one (H_1). Also CSR is second to organizational culture in predicting reputation of financial institutions supervised by Bank of Uganda. Any CSR undertaking contributes to the reputation of these institutions, and hence neglecting CSR would undermine their reputation growth potential.

Also there was a significant positive relationship between Organizational Culture (OC) and Reputation which confirms hypothesis two (H_2). In addition, Organizational culture was found to be the highest predictor of Reputation for financial institutions in Uganda supervised by Bank of Uganda. So any slight change in OC activities has a significant change in the reputation.

Further more, there was a significant positive relationship between Organizational Culture and CSR, which made us accept hypothesis three (H_3). Also it was found that organizational culture of financial institutions supervised by Bank of Uganda somehow dictates or influences which corporate social responsibility (CSR) activities they May be involved in.

We also found a significant relationship between Ethical citizenship and Reputation which confirmed hypothesis four (H_4). Further more, ethical citizenship contributes positively to reputation of financial institutions in Uganda though not significantly. Therefore, given the fact that it contributes less when compared to other variables in the model, this May imply that investing in ethical issues May not add too much value to their reputation.

Lastly the study found that there is a significant relationship between Ethical citizenship and CSR (H_5). Therefore a positive change in the financial service institution's ethical citizenship behavior, will lead to a positive change in its CSR interventions.

6.2 Recommendations:

From the above conclusions, we make the following recommendations:

i. A certain minimum degree of engagement to further some social goals should be pursued by financial services institutions in Uganda. That is, these institutions should be sensitive to potential harms of their actions on various stakeholders (community, workers, suppliers, customers, environment, etc).

ii. The fact that CSR contributes towards their reputation we further recommend their reputation building strategies should integrate some socially responsible activities / interventions so as to benefit from this contribution however little it can be. For example, requiring their suppliers to comply with relevant environmental concerns say Environmental management and Audit standards; contribute to projects that are for the benefit of the surrounding community; the UN Global compact principles; etc.

iii. Financial institutions should put a lot of emphasis on paying attention to detail say about issues surrounding their business and their customers. For example ability of their customers to derive satisfaction from the services they paid for, as well as issues which could easily cause loss to either party, that is, financial service institution or customer /stakeholder.

iv. They should also continuously be innovative, say by coming up with products that appeal to different customer segments and market needs.

v. We also recommend that if these institutions find it hard to be ethical citizens; they should always ensure they play within the "rules of the game" set forth by the Bank of Uganda (BoU), who is their supervisor.

vi. We further recommend that BoU (as their supervisor) steps up measures intended to wipe out unethical behaviors, for example, running periodic trainings on compliancy , have in-house posters for these institutions as a reminder of their ethical obligations, etc.

6.3 Limitations of the study:

i. The scope of the study never provided for testing the differences in reputations across the different types of these financial services institutions. So a related study could be done to answer this.

ii. The research design was cross sectional which could not provide an in-depth investigation of reputation. So a longitudinal study could be undertaken to compare findings.

iii. Also this research was limited to financial services institutions supervised by Bank of Uganda. So similar study could be undertaken targeting other institutions like loan sharks, SACCOs, and others.

6.4 Areas for further research:

A further investigation is needed into how all these variables studied; contribute to reputation over a given period of time. Since Uganda's financial industry has many players (SACCOs, village banks, quick money lenders' commonly known as *sharks,* etc), a similar study could be undertaken using these other financial services institutions so as to compare findings.

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Appendix 1: Summary of measures of corporate reputation

Measures of reputation	*Underlying approach*	*Who is surveyed*	*What is measured*
AMAC List American's Most Admired Companies, (Fortune Magazine),	Reputation described in terms of characteristics that are admired by financial analysts, CEO and journalists	CEOs and financial analysts	Eight characteristics of reputation (innovation, financial soundness, employee talent, use of corporate assets, long-term investment value, social responsibility, quality of management, quality of products and services). Statistical analysis suggest that all eight characteristics factor on one dimension
Reputation quotient (RQ) (Fombrun, 1996)	Reputation described in terms of stakeholder expectations of organizations	Many stakeholder groups of a business including the general public, customers, employees, suppliers, investors, etc	Six pillars of reputation (emotional appeal, products and services, vision and leadership, workplace environment, financial performance, social responsibility). Statistical analysis suggests that the six pillars group into two dimensions of reputation, that is, emotional appeal as one dimension and the remaining pillars as second dimension
Corporate Personality Scale (Davies *et al.*, 2003)	Reputation described in terms of a personality-metaphor	Customers and employees	Seven dimensions of corporate personality (agreeableness, enterprise, competence, chic, ruthlessness, machismo, informality).
SPIRIT (MacMillan *et al.*, 2004) Stakeholder Performance Indicator and Relationship Improvement Tool (SPIRIT)	Reputation described in terms of stakeholder expectations in business relationships	Many stakeholder groups of a business including customers, employees, suppliers, investors, etc	Three dimensions: experiences (including for example sub-dimensions such as communication, material benefits, experience of outside influences), feelings (including sub-dimensions trust and positive emotions) and intentions (including sub-dimensions of supportive behaviors such as advocacy and retention of stakeholders towards a business).

Appendix 2: List of Licensed Commercial Banks and operational as of August 31st 2009.

Rank	Bank	Market Share (Assets)	Number of Branches
1	Stanbic Bank (Uganda) Limited	24%	67
2	Standard Chartered Bank	14%	10
3	Barclays Bank (Uganda)	13%	53
4	DFCU Bank	7%	21
5	Citibank	6%	1
6	Centenary Bank	6%	36
7	Crane Bank	6%	11
8	Orient Bank	3.50%	9
9	Bank of Baroda (Uganda)	3.50%	10
10	Tropical Bank	3%	5
11	Housing Finance Bank	2%	8
12	Ecobank (Uganda)	2%	6
13	Equity Bank (Uganda)	2%	41
14	Diamond Trust Bank (Uganda) Limited	2%	9
15	United Bank for Africa	2%	10
16	Bank of Africa (Uganda)	1.50%	12
17	Kenya Commercial Bank	1%	11
18	Global Trust Bank	0.50%	15
19	PostBank Uganda	0.50%	32
20	Cairo International Bank	0.50%	1
21	Fina Bank (Uganda)	0.50%	3
22	National Bank of Commerce (Uganda)	0.50%	2

Source: Bank of Uganda website

Appendix 3: List of Microfinance deposit taking institutions (MDI)

1. FINCA Uganda Ltd
2. Pride Microfinance
3. Uganda Finance Trust
4. Uganda Micro Finance Ltd

Source: Bank of Uganda website

Appendix 4: List of credit institutions

1. Capital Finance Corporation Limited
2. Mercantile Credit Bank Limited
3. Commercial Micro Finance Limited
4. Post Bank (U) Ltd

Appendix 5: List of lease financing institutions

1. DFCU Leasing company Ltd
2. Housing Financing Company of Uganda

Appendix 6: List of Insurance companies licensed in Uganda as at 31st August 2009

	Address	Phone	Fax	E-mail
1. AIG Uganda Ltd	Plot 60 Bombo Road, P.O. Box 7077 Kampala	+256-414-533781, +256-414-541556, +256-414541845	+256-414-541572	aiguganda@aig.co.ug
2. APA Insurance (U) Ltd	Plot 4A Kampala Road, Crown House 1st Floor P.O. Box 7651 Kampala	+256-414-250087, +256-414-251103, +256-312-1123340		Apa.uganda@apainsurance.org
3. East African Underwriters Ltd	Muljibai Madhvani Foundation Building, De Winton Rise/20 Jinja Road, P.O. Box 22938 Kampala	+256-414-259323/4/5, +256-414-232892, +256-414-232893	+256-414-234221	eaul@utlonline.co.ug
4. Excel Insurance Company Ltd	Plot 2D Nkurumah Road, Crest House P.O. Box 7213 Kampala	+256-414-348595/6/7	+256-414-342304	excelins@infocom.co.ug
5. First Insurance Company Ltd	Plot 52 Kampala Road, 2nd Floor,King Fahd Plaza, P.O. Box 5254 Kampala	+256-414-342863, +256-414-233750, +256-752-760117	+256-414-345923	gico@imul.com
6. GoldStar Insurance Company Ltd	Plot 38 Kampala Road, Crane Chambers P.O. Box 7781 Kampala	+256-414-250110/1 +256-414-343704	+256-414-254956	goldstar@goldstarinsurance.com
7. Insurance Company of East Africa (Uganda) Ltd	Rwenzori Courts, Nakasero Road, P.O. Box 33953 Kampala	+256-414-347535, +256-414-232337, +256-414-250719	+256-414-347534	icea@africaonline.co.ug

8. Leads Insurance Ltd	King Fahd Plaza, 1st Floor, P.O. Box 26191 Kampala	+256-414-253283/4/5, +256-312-263980 +256-31263980	+256-414-253286	leadsinsura1999@dehezi.net
9. Lion Assurance Company Ltd	12th Floor, Tall Tower, Crested Towers Building, P.O. Box 7658 Kampala	+256-414-341450, +256-414-235687/8	+256-414-257027	pwico@imul.com
10. National Insurance Corporation Ltd	Plot 3 Pilkington Road, P.O. Box 7134 Kampala	+256-414-258001/5	+256-414-259925	nic@nic.co.ug
11. Liberty Life Assurance Uganda Ltd	Garden City, 2nd Floor, Plot 64/86 Yusuf Lule Road, P.O. Box 22938 Kampala	+256-414-254708, +256-414-233794		
12. NICO Insurance Uganda Ltd	3rd Floor, Greenland Towers Building, Kampala Road, P.O. Box 24256 Kampala	+256-312-264720/2	+256-414-264723	iiclug@hotmail.com
13. Paramount Insurance Company Ltd	Plot 4 Kimathi Avenue (Opposite Kampala Casino), P.O. Box 6427 Kampala	+256-414-234143	+256-414-234143	
14. Pax Insurance Company Ltd	Plot 3 Colville Street, Platinum Jubilee House, P.O. Box 7030Kampala	+256-414-661560, +256-414-4233096, +256-414-4233089		
15. Phoenix of Uganda Assurance Company Ltd	8th Floor, Northern Wing, Workers House, Pilkington Road, P.O. BOX 70149 Kampala	+256-414-349659, +256-414-349660, +256-414-349662	info@phoenixuganda.com	
16. Rio Insurance Company Ltd	Plot 20 Kampala Road, P.O. Box 5710 Kampala	+256-414-341264 +256-41-4341202	+256-414-235292	

17. Statewide Insurance Company Ltd	Plot 1 Bombo Road, Sure House, P.O. Box 9393 Kampala	+256-414-345996, +256-312-262119	+256-414-343403	swico@infocom.co.ug
18. The East Africa General Insurance Company Ltd	Insurance House, Plot 14 Kampala Road, P.O. Box1392 Kampala	+256-414-236362/3, +256-312-2622214-4	+256-414-343234	eagen@infocom.co.ug
19. The Jubilee Insurance Company of Uganda	Jubilee Insurance Center, Parliament Avenue, P.O. Box 10234 Kampala	+256-414-236029, +256-414-344949, +256-414-344938, +256-414-343743, +256-414-344901	+256-414-258539, +256-414-347787	jicug@jubileeuganda.com
20. TransaAfrica Assurance Company Ltd	Impala House , Plot 13/15 Kimathi Avenue P.O. BOX 7601 Kampala	+256-414-251411, +256-414-340535/7	+256-414-254511	taacl@spacenet.co.ug
21. UAP Insurance Company Ltd	1 Kimathi Avenue, P.O. Box 7185 Kampala	+256-414-234190/1/2	+256-414-256388	uac@starcom.co.ug

Source: Bank of Uganda, http://www.bou.or.ug/bouwebsite/export/sites/default/bou/bou-downloads/financial_institutions/2009/INSURANCE_COMPANIES_LICENSED_IN_UGANDA_as_at_31st_August_2009.pdf

Appendix 7: Research Questionnaire

Dear Colleague,

Re: Request to fill this research questionnaire.

I am conducting an academic research that will enable me complete my Masters degree of Makerere University. The research is entitled: *Corporate social responsibility (CSR), organizational culture; ethical citizenship; and Reputation of financial institutions*. I am contacting you because I trust that you are very resourceful person who would give me some information based on the questionnaire below. The information and responses that you will provide, is solely for academic purposes. It shall be treated with the necessary confidentiality.

I therefore request you to fill this questionnaire.

David Katamba

Msc. Marketing

Reg No. 2007/ HD10/ 11196U

Tel: (+256) 774 972 532

Questionnaire:

Section One: General information:

G1. Please indicate your gender:

Male	
Female	

G2. From the financial institutions below, indicate the one which you mostly interact with.

Financial institution	**Please tick**	**State the name of institution (Optional)**
1. Commercial Bank		
2. Microfinance Institution (MDI)		
3. Insurance company		
4. Forex bureau		
5. Lease financing banks		
6. Credit institutions		

G3. For how long have you interacted with the selected financial institution above?

	Please tick
less than 1 year	
1-5 years	
6-10 years	
Over 10 year	

Section Two: Corporate social responsibility (CSR)

For the following statements, please indicate your level of agreement in relation to your financial institution selected in G2 above. (place a tick in the box that corresponds to your answer choice

		Strongly Agree (5)	Agree (4)	Undecided (3)	Disagree (2)	Strongly Disagree (1)
CSR 1	This financial institution has a CSR mission statement & values showing					

	a business principles and /or vision of corporate responsibility					
CSR 2	This financial institution has code of ethics					
CSR 3	The code of ethics is distributed to employees					
CSR 4	There is a manager responsible for ethics or corporate responsibility issues					
CSR 5	This financial institution publishes a social report and /or has an ethical audit					
CSR 6	This financial institution has a policy to support the human rights of its employees					
CSR 7	This financial institution been fined for false advertising in the past year.					
CSR 8	This financial institution applies an environmental standard like ISO14000 or EMAS[1] or CERES[2] etc.					
CSR 9	This financial institution has been involved in corruption law suits within the past five years.					
CSR 10	This financial institution has an anti-corruption or bribes policy.					
CSR 11	This financial institution has an anti-discrimination policy in recruiting, promoting and training.					
CSR 12	This financial institution has a form of employee participation to profits.					
CSR 13	This financial institution's Board of Director's actions are transparent (such as comply with Cadbury code, OECD[3] corporate governance guidelines)					

[1] EMAS (Eco-Management Audit Scheme)
[2] CERES (Coalition for Environmentally Responsible Economies)
[3] OECD (Organization for Economic cooperation and Development)

CSR 14	This financial institution's staffs are trained on the corporate code of ethics.					
CSR 15	This financial institution's products socially responsible.					
CSR 16	This financial institution requires its suppliers to adhere or comply with its code of ethics.					
CSR 17	This financial institution tries to have a continuing dialogue with the internal and external stakeholders of the financial institution on social responsibility issues.					
CSR 18	The wages paid by this financial institution are better than industry average.					
CSR 19	This financial institution contributes to projects for the local community.					
CSR 20	This financial institution created jobs in the last year.					

Section Three: Organizational culture (OC):

With reference to your financial institution selected earlier, please indicate your level of agreement against each statement below.

		Strongly agree (5)	Agree (4)	Undecided (3)	Disagree (2)	Strongly disagree (1)
OC 1	This financial institution takes risks, is innovative, and is open to experimenting with different ways of doing things.					
OC 2	This financial institution pays attention to details, strives for					

	precision, and stresses the importance of analytical skills.					
OC 3	This financial institution is achievement-oriented, has high expectations and demands results from its employees.					
OC 4	This financial institution is an aggressive competitor and takes advantage of opportunities					
OC 5	This financial institution is supportive of its employees, shares information with them and praises their performance.					
OC 6	This financial institution is noted for its high pay for performance and offers opportunities for professional growth.					
OC 7	This financial institution has a team oriented work environment and encourages collaboration.					
OC 8	This financial institution's decision making process is decisive, and entails little conflict.					

Section Four: Ethical Citizenship (EC)

Using the following statements, please indicate your level of awareness about your financial institution selected earlier

		Not at all aware (1)	Slightly aware (2)	Somewhat aware (3)	Moderately aware (4)	Extremely aware (5)
EC 1	Staff behave in ways that					

		Not at all aware (1)	Slightly aware (2)	Somewhat aware (3)	Moderately aware (4)	Extremely aware (5)
	reinforce the institutions' code of conduct					
EC 2	Staff in my financial institution are consistently trained in ethics and integrity					
EC 3	My financial institution follows good motives and intentions when evaluating its employees.					
EC 4	My financial institution is willing to put in a great deal of effort beyond that normally expected in order to help customers understand the products / service before they make a decision					

Section Five: Reputation (RP):

Indicate your level of agreement with the following statements in relation to your financial institution.

		Strongly Agree (5)	Agree (4)	Undecided (3)	Disagree (2)	Strongly Disagree (1)
RP-EA1	I have a good feeling about this financial institution					
RP-EA2	I respect and admire this financial institution					
RP-EA3	I trust this financial institution					
RP-PS1	It offers high quality products and services					
RP-PS2	It develops innovative products and services					
RP-PS3	It offers products and services that					

	are good value for money					
RP-PS4	It stands behind its products and services					
RP-VL1	It recognizes and takes advantage of market opportunities					
RP-VL2	It has a clear vision for its future					
RP-VL3	It has excellent leadership					
RP-WE1	It is well managed					
RP-WE2	It looks like a financial institution that would attract good employees					
RP-WE3	It looks like a good financial institution to work for					
RP-FP1	My financial institution has a strong record of profitability					
RP-FP2	It looks like a low-risk investment					
RP-FP3	It looks like a financial institution with strong prospects for growth					
RP-FP4	It tends to outperform competitors					